

April 23, 2018

Honorable Members of the Commission:

My name is Michael Gerlach and I am the Director of Business Services for the Fond du Lac School District. I appreciate your efforts to address school district funding through the Blue Ribbon Commission and these public hearings. I'm urging the Commission to consider several important components of reform to the school funding formula to address the long term impact of rising inflationary expenses faced by the Fond du Lac School District and many other districts across the State.

1. **Predictable and Sustainable Revenues:** Fond du Lac, like many other districts, is experiencing the inflationary pressure of rising operational expenses such as employee wages and benefits. Attracting and retaining staff is critical to providing an outstanding education to our students. We would like to see a predictable increase to the allowable Per-Member Change on the Revenue Limit that is aligned to an inflationary measure, instead of the current \$0 cap. An inflationary adjusted increase would provide predictable revenue growth to all districts over time. We would also like to see the Per Pupil Aid allocation preserved in the funding formula and indexed to an inflationary increase over time to benefit all school districts.
2. **Special Education Categorical Aid:** We would like to see an increase in the Special Education Categorical Aid Allocation/Reimbursement. The costs to provide students who have disabilities with a Free and Appropriate Public Education continue to rise in Fond du Lac, while the reimbursement rate has not. Included is a graph illustrating this dynamic. Again this is an inflationary expense that we would like to see a predictable and sustainable solution to. We would like to see an increase in the Special Education Categorical Aid reimbursement to at least 30% of aidable costs.
3. **Low Revenue Relief:** The recent legislation providing a predictable increase in the Low Revenue threshold over time will provide significant funding relief to the Fond du Lac School District and other Low Revenue school districts across the state. Using the Legislative Fiscal Bureau's analysis, with a base revenue per pupil of \$9,264, the Fond du Lac School District could realize an estimated \$1,001,640 in additional revenue authority in the 2018-2019 fiscal year. It is an outstanding example of the approach to school funding reform that we're looking for. It addresses the need for predictable and sustainable revenue growth over a period of years. Thank you for supporting this legislation!



The mission of the Fond du Lac School District, in partnership with the family and the community, is to promote high achievement and foster the continuous growth of the whole child, so that each becomes a creative, contributing citizen in a global society by providing personalized learning opportunities in a safe, nurturing environment.

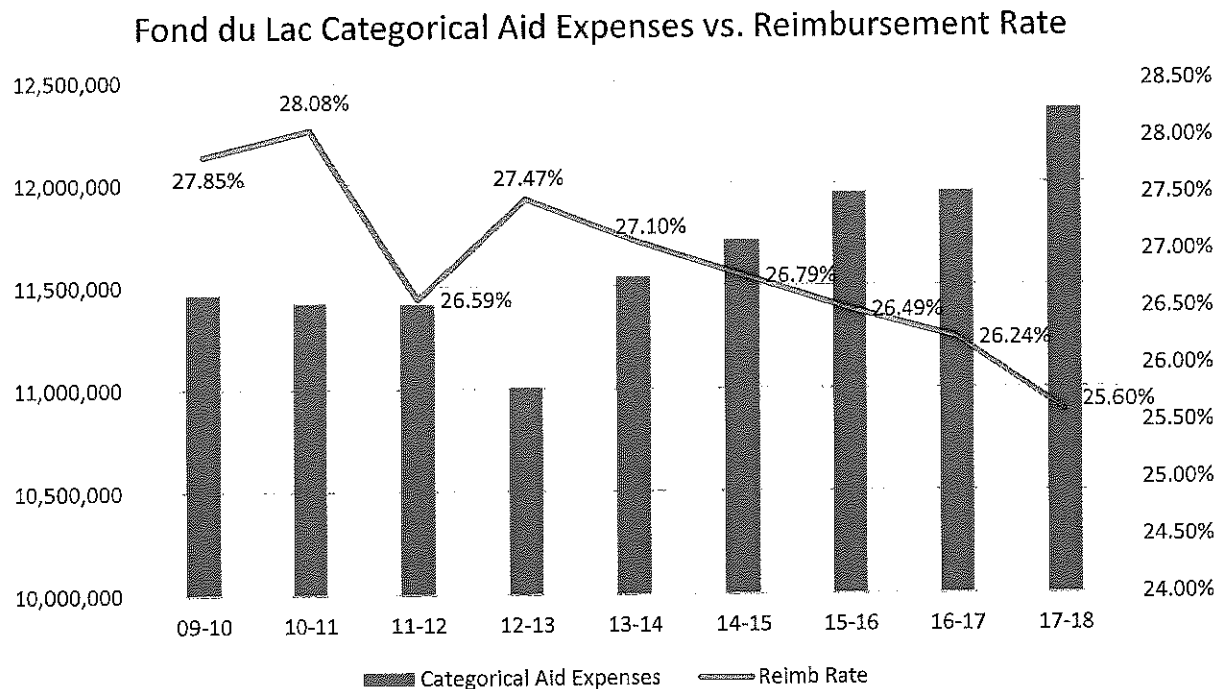
has a history of fiscal responsibility under revenue limits and has not sought an operational or debt issue referendum since 2006. Like all districts in the State, we are committed to maintaining high levels of student achievement and using our limited resources to benefit all students in our community

Thank you for your time today and thank you for your service to the students and the State of Wisconsin.

Sincerely,



Michael Gerlach
Director of Business Services
Fond du Lac School District



Source Data: WI DPI School Financial Services, State and Federal Aid, Special Education Aids, Special Ed & School-Age Parents Aid, Payment Worksheets.
<https://dpi.wi.gov/sfs/aid/special-ed/sped-sap/worksheets>